GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:1044
ANSWERED ON:29.11.2005
PACKAGE OF FISCAL CONCESSION TO SSIS
Barad Shri Jashubhai Dhanabhai

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a):Whether the Government has sanctioned a package of fiscal concessions for the Small Scale Industries (SSIs) to make them price competitive and undertake technological upgradation;

(b):If so, the details thereof;

(c) :Whether the Government has also cleared a proposal to enhance the technology upgradation subsidy to 15% from the prevailing 12%;

(d): If so, the extent to which this will boost the Small Scale Industries; and

(e): The time by which this package and subsidy will be given?

ANSWER (SHRI MAHABIR PRASAD)

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES

(a): Yes, Sir.

(b): There are two types of excise duties as we all know. The Central excise exemption limit under the General SSI Excise Exemption Scheme was raised from Rs. 50 lakh to Rs. 1 crore in the `Comprehensive Policy Package for Small Scale Industries and Tiny Sector` announced by the Government on 30 August 2000. As announced in the Union Budget 2005-06, the eligibility limit for availing of the benefits under General SSI Excise Exemption Scheme has also been raised from a turnover of Rs. 3 crore to Rs. 4 crore.

(c)to(e): The loan limit under the Credit Linked Capital Subsidy Scheme (CLCSS) has been raised from Rs. 40 lakh to Rs. 1 crore and the capital subsidy from 12 per cent to 15 per cent with effect from 29th September, 2005, to further facilitated modernization of SSIs through technology upgradation.